



JACKSON COUNTY UTILITY AUTHORITY

Serving the People...Protecting the Environment

Directors

Thomas Eldridge • Jackson County
Andrew J. Elly • Moss Point
Kevin Miller • Jackson County
Guy Moore • Pascagoula
Jerry Munro • Ocean Springs
Marshall Smith • Gautier
Tom Stennis – Jackson County

Jackson County Utility Authority

Regular Meeting

Board of Directors

September 9, 2019

MINUTES

1. Call to Order

The Regular meeting of the Board of Directors convened at 4:00 P.M., September 9, 2019, at 1225 Jackson Avenue, Pascagoula, MS. Board members present were: Tommy Eldridge, President; Jerry Munro, Vice President, Andrew J. Elly, Secretary/Treasurer; Kevin Miller, Vice Secretary/Treasurer, and Directors Guy Moore, Marshall Smith and Tom Stennis. It was determined there was a quorum.

Also present were: Eric Page, Executive Director; Johnny Groue, Director of Operations; Scott McElroy, Director of Finance/Administration; Linda Gasaway, Lead Administrative Assistant; Edna Lott, Accounting Principal; Chase Glisson, Engineering Manager; James Heidelberg and April McDonald, Authority Counsel; Judge Tanya Hasbrouck; Greg Brown, Pickering; Dennis Reeves, Neel-Schaffer; Chuck Starling, Kimley-Horn; Robert Teem, Arcadis; Paula Yancey, Rusty Anderson and Richard Jackson, City of Gautier; Mayor Mario King, Tricia Thigpen, and David Chapman, City of Moss Point; Eric Bland and Kristin Pickich, Piltz, Williams, LaRosa & Co.

2. Devotion

Eric Page, Executive Director, presented the invocation.

3. Pledge of Allegiance

Director Smith led the Pledge of Allegiance.

4. Introduction and Oath of Office – Tom Stennis, Director Representing Jackson County District 4

Judge Hasbrouck administered the oath of office to Mr. Tom Stennis, Jackson County Director.

5. Changes to Agenda, If Any

Director Eldridge stated that there were no changes to the Agenda. There was an Add-on for Item 8.A. – Expenditures and Handouts for Item 9.C. and Item 9.D. Director Eldridge requested Item 9.C. be moved to Item 7.

6. Public Recognition

A. 1317 May Street, Ocean Springs – Appeal for Relief of Past Due Bill and Request to Set-up Payments - Ms. Merrill, **Exhibit “A”**

Ms. Merrill was not in attendance; therefore, Director Eldridge requested this item be tabled to the next Board Meeting on September 23, 2019. Director Miller seconded the motion. Motion carried with a unanimous vote by the Board Members present.

B. General Public

Director Eldridge recognized Ms. Paula Yancey, City Manager, Mr. Rusty Anderson and Richard Jackson, City Councilman with the City of Gautier. Mr. Anderson asked to address the Board and asked if the Public Meter Flows are Public Information. Mr. Page stated that this information is and is provided to the Wastewater Transportation/Treatment Customers. Mr. Anderson requested a copy of the daily Flows for the other entities. Mr. Page explained that the City of Gautier is the only entity that has daily flow metering and that the others were taken on a weekly basis. Mr. Anderson requested the weekly flow meter readings for the other entities. Ms. McDonald stated that the would need to submit a Public Records Request form; which could be found on the JCUA website, and that we would send him the information requested

Director Eldridge recognized Mario King, Mayor; Tricia Thigpen, City Clerk and David Chapman, Alderman at Large with the City of Moss Point. Mayor King stated that he would like to take the opportunity to thank Director Elly and Mr. Page for meeting with him regarding the JCUA FY-2020 Transportation/Treatment Rates. He also stated that he appreciates the help that JCUA has given Moss Point and looks forward to continuing to work with JCUA in the future.

Director Eldridge asked if there were any other Public to be recognized. There were none.

7. Accept – FY-2018 Audit, **Exhibit “B”**

Director Eldridge made a motion to move Item 9.C. FY-2018 Audit to Item 7. Director Munro seconded the motion. Motion carried with a unanimous vote by the Board Members present.

Mr. Eric Bland with Piltz, Williams, LaRosa & Company presented the JCUA FY-2018 Audit. Director Moore was acting Chair for the Audit/Task Force Committee, Director Eldridge asked Director Moore if the report presented by Mr. Bland was acceptable to him. Director Moore stated that it was but, he would like to ask a couple of questions. Director Moore referenced page 42 under Federal Awards Section “The auditee did not qualify as a low-risk auditee” and asked what was meant by this statement. Mr. Bland stated that the JCUA FY-2017 Audit was not filed on time. Director Moore then asked Mr. Bland about the finding of weakness in internal controls, management’s response and whether Mr. Bland was satisfied with staff’s response, Mr. Bland stated he was. Director Moore then requested that Management does not let this happen again.

Mr. Bland then presented the Piltz, Williams, LaRosa & Company Professional Standards letter. Director Smith asked if he agreed that the reason the Audit was not completed on time was due to changing to a new Financial Software. Mr. Bland stated that software changes was one of the reasons. Director Moore asked if Mr. Bland felt that they had full access to information needed and did he receive full support from the JCUA staff. Mr. Bland stated yes on both questions. Director Stennis asked if we had separate bank accounts for Wholesale and Retail. Mr. Page stated that we do not.

Director Moore made a motion to Accept the FY-2018 Audit as presented. Director Munro seconded the motion. Director Eldridge asked if there were any questions or comments, there were none. Director Stennis abstained from voting. Motion carried with a unanimous vote by the Board Members present.

8. Consent Agenda

- A. Adopt – Minutes for August 12, 2019, **Exhibit “C”**
- B. Adopt – Minutes for August 26, 2019, **Exhibit “D”**
- C. Approve – Elevator Service Agreement (5 Year), **Exhibit “E”**
- D. Approve – WIN-911 Software Annual Renewal, **Exhibit “F”**
- E. Information Only – Excessive Flows
 - 1. City of Pascagoula, **Exhibit “G”**
 - 2. City of Moss Point, **Exhibit “H”**
- F. Information Only – Notice of Asbestos Sampling, **Exhibit “I”**

Director Elly made a motion to Approve the Consent Agenda as presented. Director Munro seconded the motion. Director Eldridge asked if there were any questions or comments. Director Elly asked about Item 8.E., have we received any type of response to these letters? Johnny Groue, Director of Operations, stated that there has not been any response. Director Moore requested his name be corrected on the 08/26/2019 Minutes in the Call to Order from Guy Smith to Guy Moore. He then went on to ask for clarification regarding Items 7.D. Mr. Page stated that this is the Annual Maintenance and Support for the SCADA Alarm Notification Software. Regarding Item 7.E. Director Moore requested there be more detail/explanation regarding the Excessive Flow letters. Director Moore then requested clarification regarding Item 7.F. Asbestos Sampling. Mr. Page stated that this is a new testing requirement that has recently been implemented by the MS Department of Health. The sampling is to test for presence in the water as a result of the asbestos cement pipes that we only have in the St. Andrews areas. Director Moore asked if we had knowledge of these asbestos pipes prior to purchase. Mr. Page stated that we did but that at the time of the purchase the testing was not required. Director Eldridge asked if there were any other questions or comments. There were none. Motion carried with a unanimous vote by the Board Members present. The August 26, 2019 minutes were approved as amended.

9. Discussion Agenda

A. Expenditures, **Exhibit “J”**

Director Moore made a motion to Approve the Expenditures as presented. Director Smith seconded the motion. Director Eldridge asked if there were any questions or comments. Director Moore asked for clarification regarding the Bancorp South Credit

Card purchase of an IT-Hard Drive Crusher. Mr. Page explained that the purchase of this item will allow JCUA to destroy/crush hard drives in house instead of having to outsource the demolition of the hard drives. Director Moore asked about the Camper City purchase of a fill rite electric pump. Mr. Page explained that this is a fuel transfer pump that was added to Vehicle #478. Director Elly inquired about the purchase for Network Backups with Presidio Networked Solutions. Mr. Page stated that this purchase will allow JCUA to update/replace servers. Director Moore asked about the Keyless Entry Lock purchased/installed from Dixie Glass & Trim. Mr. Page stated that this was a keyless entry system that was purchased for the PMP Plant for security. Director Moore asked why we have late fees from UPS. Mr. Page stated that this happens due the procedures set-up for bill approval/payment. Director Eldridge asked if there were any other questions or comments, there were none. Motion carried with a unanimous vote by the Board Members present.

B. MDOT Projects

1. Hwy. 57 Utility Relocation – Phase II – Sewer

a. Approve – Frank Turner Payment Application No. 9 –S (\$378,471.93), **Exhibit “K”**

Mr. Page presented this item. Director Miller made a motion to Approve Pay Application No. 9-S as presented. Director Munro seconded the motion. Director Eldridge asked if there were any questions or comments. Director Elly asked Engineer, Dennis Reeves, if there was kind of overview that could help get them back on schedule. Mr. Reeves stated that he had a meeting with the staff on 09/09/2019 regarding this issue. Director Eldridge asked if there were any other questions or comments, there were none. Motion carried with a unanimous vote by the Board Members present.

b. Approve – Neel-Schaffer Invoice No. 1059949-S (\$16,128.00), **Exhibit “L”**

Mr. Page presented this item. Director Moore made a motion to Approve Invoice No. 1059949-S as presented. Director Miller seconded the motion. Director Eldridge asked if there were any questions or comments, there were none. Motion carried with a unanimous vote by the Board Members present.

2. Hwy. 57 Utility Relocation – Phase II – Water

a. Approve – Frank Turner Payment Application No. 9 –W (\$477,877.52), **Exhibit “M”**

Mr. Page presented this item. Director Elly made a motion to Approve Pay Application No. 9-W as presented. Director Munro seconded the motion. Director Eldridge asked if there were any questions or comments. Director Munro Engineer, Dennis Reeves, if he feels that this is going the same as the sewer. Mr. Reeves stated that this is actually

ahead of the sewer and that they also had a delay due to some fittings they had to order but, it will be close. Director Eldridge asked if there were any other questions or comments, there were none. Motion carried with a unanimous vote by the Board Members present.

b. Approve – Neel-Schaffer Invoice No. 1059949-W (\$12,250.00), **Exhibit “N”**

Director Munro made a motion to Approve Invoice No. 1059949-W as presented. Director Miller seconded the motion. Director Eldridge asked if there were any questions or comments, there were none. Motion carried with a unanimous vote by the Board Members present.

3. Other, If Any

Director Eldridge asked if there were any other MDOT Project Items. There were none.

C. SRF Projects

1. Jordan Rd. Phase I Regional Pump Station

a. Approve — Neel-Schaffer – Construction Oversight – Invoice No. 1059493 (\$20,000.00), **Exhibit “O”**

Mr. Page presented this item. Director Miller made a motion to Approve Invoice No. 1059493 as presented. Director Munro seconded the motion. Director Eldridge asked if there were any questions or comments, there were none. Motion carried with a unanimous vote by the Board Members present.

b. Approve –Hemphill –Payment Application No. 7 (\$566,522.75), **Exhibit “P”**

Mr. Page presented this item. Director Moore made a motion to Approve Pay Application No. 7 as presented. Director Smith seconded the motion. Director Eldridge asked if there were any questions or comments. Director Eldridge asked what the percentage of completion was. Mr. Page stated that it was 10% ahead of schedule, cost wise. Director Eldridge asked if there were any other questions or comments, there were none. Motion carried with a unanimous vote by the Board Members present.

2. Approve –Jordan Rd. Phase II Regional Pump Station – Neel-Schaffer – Professional Services – Invoice No. 1059494 (\$3,199.00), **Exhibit “Q”**

Director Munro made a motion to Approve Invoice No. 1059494 as presented. Director Smith seconded the motion. Director Eldridge asked if there were any questions or comments, there were none. Motion carried with a unanimous vote by the Board Members present.

3. Approve – Tucker Road Regional Pump Station No. 6 – Kimley Horn – Amendment to Design Contract, **Exhibit “R”**

Mr. Page presented this item, stated that the Amendment to the Design Contract is strictly an Administrative change with some the changes being imposed by MDEQ. Director Munro made a motion to Approve the Amendment as presented. Director Elly seconded the motion. Director Eldridge asked if there were any questions or comments. Director Stennis asked if this will help the pump station across from Broome’s. Mr. Page stated that Pump Station No. 6 will be decommissioned when this project is complete and that the new Pump Station will not make any changes in the I&I but this project would provide relief to the pump stations manifolded into the JCUA force main. Director Eldridge asked if there were any other questions or comments, there were none. Motion carried with a unanimous vote by the Board Members present.

4. Other, If Any

Director Eldridge asked if there were any other SRF Project Items. There were none.

D. Bond Project Action

1. Approve – Payments - Requisition 69 (\$48,984.45), **Exhibit “S”**

Mr. Page presented this item. Director Moore made a motion to Approve Payment Requisition No. 69 as presented. Director Miller seconded the motion. Director Eldridge asked if there were any questions or comments, there were none. Motion carried with a unanimous vote by the Board Members present.

2. Other, If Any

Director Eldridge asked if there were any other Bond Project Items. There were none.

E. Other, If Any

Director Eldridge asked if there were any other Discussion Items. There were none.

10. Administrative Items

A. Information Only – Wetland Costs related to Current WWTP Improvements Project in Texas, **Exhibit “T”**

Mr. Page presented this item. Information only, No Action was Required.

B. Information Only – Related to Moss Point MOU – Water Supply Cost Evaluation, **Exhibit “U”**

Mr. Page and Mr. Heidelberg, Legal Counsel, presented this item. Mayor King stated that he would like to schedule a workshop to pull together both JCUA and Moss Point’s information together to start Analysis, as well as review the concept information. Mr. Page stated that he would have Tommy Fairfield, Director of Engineering/Planning, and Chase Glisson, Engineering Manager, contact Mayor King to setup and meeting with him and his staff. Information/Update Only, No Action was Required.

C. Adopt –FY 2020 Budget Plan, Fee and Rate Schedules (Handout), **Exhibit “V”**

Following Mr. Page’s presentation of the FY-2020 Budget Plan, Fee and Rate Schedules, Director Eldridge stated that the Budget and Rates/Billings Committees met to review, evaluate and discuss these items and asked if there were any questions or recommendations. Director Smith asked about Moss Point’s increase. Director Elly stated that Moss Point’s I&I problems are the cause of their cost increase and Moss Point had a credit for FY-2019 that they will not have for FY-2020. Director Miller stated that he would like to see more recovery of depreciation. Director Elly explained the Committees’ discussion regarding the user rate/fee schedule changes. Director Eldridge stated that the Committees would like to see monthly reports regarding expenses. Director Moore emphasized that not recovering all expenses of the Authority, including Depreciation, are things we need to work with the Wastewater Entities to help them understand that we are not recouping our expenses. Director Elly made a motion to Adopt the FY-2020 Budget Plan, Fee and Rate Schedules as presented. Director Moore seconded the motion. Director Eldridge asked if there were any other questions or comments, there were none. Motion carried with a unanimous vote by the Board Members present.

D. Other, If Any

Director Eldridge asked if there were any other Administrative Items. There were none.

11.Board Attorney

A. Report, **Exhibit “W”**

Counsel updated the Board on Attorney matters. Counsel also handed out an updated map of the properties currently being considered for the Eastern Jackson County Consolidated Water Reclamation Facility. No Board action was taken.

B. Other, If Any

Director Eldridge asked if there were any other Attorney Items. There were none.

12.Director Items

A. Discussion – Board Officers Term Length

Director Eldridge presented this item. Following discussion, it was decided that the Board Officers Term Length would be discussed and determined at a later date.

B. Election of Officers

Director Munro made a motion to nominate the existing Board Officers (Eldridge – President; Munro – Vice President; Elly – Secretary/Treasurer) with the exception of the Vice Secretary/Treasurer and nominated Director Smith for the position. Director Moore seconded the motion. Director Eldridge asked if there were any questions or comments, there were none. Motion carried with a unanimous vote by the Board Members present.

C. Other, If, Any

Director Eldridge asked if there were any other Director Items. There were none.

13. Adjourn

There being no further business to come before the Board, Director Elly made the motion to adjourn. Director Smith seconded the motion. The motion carried with a unanimous vote by the Board Members present. The meeting was adjourned at 6:29 P.M.

WITNESS OUR SIGNATURES as approval of these Minutes on this 14th day of October, 2019.



TOMMY ELDRIDGE, PRESIDENT



ANDREW J. ELLY, SECRETARY-TREASURER